Financial advisor for airport modernisation

1321. SHRI ABANI ROY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that ABN-AMRO Bank was appointed as financial advisor for the modernisation project of Delhi and Mumbai Airports;

(b) whether Government have sought clarification from the Global advisor on the issue of hike of equity stake of the participating Indian based airlines from 5 to 10 per cent;

(c) if so, what is the advice given by the financial advisor; and

(d) whether Government have taken any notice on the advice of ABN-AMRO and if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) to (d) The Government in consultation with Financial Advisor has taken a conscious decision to raise the limit of equity participation of 5% to 10% by Indian scheduled airlines and their group entities in the proposed joint venture company in the current restructuring of Delhi and Mumbai airport.

Regular Air Service

†1322. SHRI HARISH RAWAT: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of States in the country which do not have regular service of civil flights;

(b) whether there is any proposal to make airlines profitable by providing additional facilities to the private airlines for linking such States through regular flights;

(c) if so, the details thereof; and

(d) if not, what steps are being taken to cover such States including Uttaranchal under the regular flight service?

---

† Original notice of the question was received in Hindi.

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) No scheduled operator including private scheduled operator is operating flights to the following states:—

(i) Arunachal Pradesh

(ii) Himachal Pradesh

(iii) Sikkim

(iv) Uttaranchal

(b) and (c) Government is encouraging regional connectivity by giving various incentives to airlines such as exempting all aircraft of less than 80 seat capacity in scheduled services from payment of landing charges, notifying sale of ATF to turbo-prop aircraft as 'declared goods' under Central Sales Tax Act etc.

(d) Government has laid down Route Dispersal Guidelines with a view to achieve better regulation of air transport services taking into account the need for air transport services of different regions of the country. It is, however, up to the airlines to provide air services to specific places depending upon the traffic demand and commercial viability. As such, the airlines are free to operate anywhere in the country subject to compliance of Route Dispersal Guidelines issued by the Government.

Deficiency in service of IA and AI

1323. DR. K. MALAISAMY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the quality of service and performance of Indian Airlines/Air India are on the decline as compared to those of private airways;

(b) if so, whether is it due to human failure or system failure;

(c) whether Government have taken cognizance of the deficiency/ inadequacy; and

(d) if so, what corrective measures have been taken to match the performance with private airlines?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) No, Sir.

(b) Does not arise.